

U.S. House of Representatives
Committee on Agriculture
Field Hearing
Harrisburg, PA
May 1, 2006
Gregory E. Hostetter, Jonestown, Pennsylvania

Good morning Chairman Lucas, and my Congressman Tim Holden. It is an honor and privilege to address this committee on the issues that affect my lively hood - farming. My name is Greg Hostetter, I am in the Dairy business with my father. We have 90 head of dairy cattle and crop 150 acres of alfalfa, corn, and soybeans in the northern part of Lebanon County - just 25 minutes east, from where we are today. My wife and I have a five year old son and we will be taking over the Dairy farm in the next few years when my father retires. Presently, I serve on the Board of Directors for the Lebanon County Farm Bureau. My work on many proactive Ag campaigns has lead me to become Chairman of the PA Farm Bureau Promotion & Education Committee; a member of the PA Department of Agriculture - Ag Education Advisory Board; and Lebanon County Farm Safety Committee.

I was asked to testify as a Dairy farmer about issues concerning my family. I will also speak about how we use the programs in the Farm Bill and their importance to farmers like me.

I will start with MILC and currently MILC-X - this is the most important program to me and all the Dairy farmers I know. The current cost of production in Pennsylvania is \$18.11 per cwt. When the market price of Class One falls below \$16.94, the MILC program kicks in and helps farmers like me to cover part of my expenses to produce milk without going into debt. I still need to use my cash reserves during these low market periods, but it is because of programs like MILC and MILC-X that my farm has been able to stay in business. Without the MILC program, it would be hard to ride out the low market. So, yes, I strongly support continuation of the Dairy price support program at the current level.

Many farmers are concerned about the National ID program and I share some of their concern. Let me be clear, I know that providing a safe and affordable food supply to America's families is a top priority, but my concern is that the National ID program needs to be easy-to-use and confidential with cost sharing from government, industry, and producers.

Johne's Disease is still present in dairy herds today, according to my veterinarian. Our herd has never had any suspicious animals, probably because our herd has been a closed herd since 1991. But you never know when things change, so I support some type of funding to help farmers who voluntarily want to test or suspect they should test for Johnes' Disease. Helping farmers to test their herds will help to ensure a continued disease free supply to the American market.

Direct counter Cyclical and Loan Deficiency Program: In 2000, I started using these programs and have found them very helpful, especially LDP for when grain prices fall. I find being able to fax my request for LDP very farmer friendly because we don't have to make a trip to the office. I also like using the DCP. The only negative comment I have is that we are paid on old history, for instance, I receive a wheat payment when I no longer plant wheat - instead I plant more corn. It does not reflect my current crop information. My local FSA office is very easy to work with, they do a good job.

National Farm Policy must be balanced. Congress must take into consideration the regional and commodity differences that exist. Northeast producers are closest and most able to meet the agricultural demands of the 25% of Americans who live in the Mid-Atlantic and Northeast states. Farm Policy must reflect the unique needs and limitations of northeast farmers.

Congress must look into "green box" and "blue box" programs that would protect northeast dairy farmers and ensure the availability of nutritious fresh dairy products.

Mr. Chairman, thank you for holding a regional field hearing here in central Pennsylvania and allowing me to share with you and the committee how my family uses and needs these programs. Again, it is an honor to be part of this process for the next Farm Bill. I will be happy to try to answer any questions you and the committee might have.

Committee on Agriculture
U.S. House of Representatives
Information Required From Non-governmental Witnesses

House rules require non-governmental witnesses to provide their resume or biographical sketch prior to testifying. If you do not have a resume or biographical sketch available, please complete this form.

1. Name: Gregory E. Hostetter
2. Business Address: 375 S. Center St.
Jonestown PA 17038
3. Business Phone Number: 717-845-0659
4. Organization you represent: N/A
5. Please list any occupational, employment, or work-related experience you have which add to your qualification to provide testimony before the Committee:
Worked with my Father in the Dairy Business
Since 1985. And now in the process
of taking over the Business.
6. Please list any special training, education, or professional experience you have which add to your qualifications to provide testimony before the Committee:
Hold Leadership positions on County
and State level in Farm Bureau.
USE Direct Counter Cyclical & Loan Deficiency
Programs.
7. If you are appearing on behalf of an organization, please list the capacity in which you are representing that organization, including any offices or elected positions you hold:
N/A

PLEASE ATTACH THIS FORM OR YOUR BIOGRAPHY TO EACH COPY OF TESTIMONY.

Committee on Agriculture
U.S. House of Representatives
Required Witness Disclosure Form

House Rules* require nongovernmental witnesses to disclose the amount and source of Federal grants received since October 1, 2004.

Name: Gregory E. Hostetter
Address: 375 S. Center St. Jones town Pa.
Telephone: 717-845-0659
Organization you represent (if any): N/A

1. Please list any federal grants or contracts (including subgrants and subcontracts) you have received since October 1, 2004, as well as the source and the amount of each grant or contract. House Rules do NOT require disclosure of federal payments to individuals, such as Social Security or Medicare benefits, farm program payments, or assistance to agricultural producers:

Source: N/A Amount: \$

Source: _____ Amount: _____

2. If you are appearing on behalf of an organization, please list any federal grants or contracts (including subgrants and subcontracts) the organization has received since October 1, 2004, as well as the source and the amount of each grant or contract:

Source: N/A Amount: \$

Source: _____ Amount: _____

Please check here if this form is NOT applicable to you: _____

Signature: Gregory E. Hostetter

* Rule XI, clause 2(g)(4) of the U.S. House of Representatives provides: *Each committee shall, to the greatest extent practicable, require witnesses who appear before it to submit in advance written statements of proposed testimony and to limit their initial presentations to the committee to brief summaries thereof. In the case of a witness appearing in a nongovernmental capacity, a written statement of proposed testimony shall include a curriculum vitae and a disclosure of the amount and source (by agency and program) of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) received during the current fiscal year or either of the two previous fiscal years by the witness or by any entity represented by the witness.*

PLEASE ATTACH DISCLOSURE FORM TO EACH COPY OF TESTIMONY.